THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) No, Sir.

(b) Does not arise.

Study on Domestic Saving

518. SHRI SONTOSH MOHAN DEV : Will the Minister of FINANCE be pleased to state :

(a) whether recent study conducted by confederation of Indian Industries (CII) on domestic savings in India has suggested a multipronged approach to give fillip to the low savings ratio in India;

(b) if so, the other suggestions made in the study report;

(c) whether the Government have examined then; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). The Ministry is in receipt of the study entitled Domestic savings in India : A Note prepared by the confederation of Indian Industry. The said study has made a number of suggestions aimed at mobilisation of savings. To this end, suggestions among others essentially seek to ensure maximum real rate of return, risk minimisation, lower direct taxes, rationalisation of Government expenditure, reduction in fiscal deficit etc.

For promoting savings it is imperative to improve the parameters which have a bearing on savings behaviour. These include rate of growth in the economy, level of fiscal deficit, tax policies, inflation, efficiency of the banking system and the capital market and confidence in the economy. The various economic reform measures undertaken so far are expected to have a favourable impact on aggregate savings. The Central Government Budget for 1996-97 presented to the Parliament a few months ago contains various measures/policy changes which are likely to have a positive impact on savings. In making policy changes the suggestions received from various institutions/ individuals are considered keeping in view the emerging economic situation.

Use of Air India Service by Government Officials

519. SHRI MOHAN RAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has received any proposal from the Civil Aviation authorities to make mandatory for Government officials to fly only by Air India when travelling abroad;

(b) if so, the details thereof; and

(c) the reaction of his Ministry to the said proposal?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c). Yes, Sir. a proposal has been received from the Minister for Civil Aviation for issue of instructions making it mandatory for Government servants and other officials of subordinate offices/ autonomous organisations/public sector undertakings to travel by Air India only while on deputation abroad. No further action on the above proposal was deemed necessary in view of the existing instructions, namely, that persons while travelling aborad on deputation and where the cost of air passage is borne by the Government of India should use the services of the National Carriers, i.e. Air India/Indian Airlines.

[Translation]

Loans under P.M.R.Y. in Gujarat

520. SHRI N.J. RATHWA : Will the Minister of INDUSTRY be pleased to state :

(a) the number of entrepreneures in the country, especially in tribal areas of Gujarat, granted loan during the last three years under the Prime Minister's Rojgar Yojana and the number of SC/ST entrepreneurs out of them;

(b) the number of educated unemployed persons who were recommended by the District Industrial Centres but not sanctioned loan so far alongwith the reasons therefor and the number of SC/ST persons out of them; and

(c) the action taken/being taken to avoid delay in providing such loans?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) During the last 3 years (1993-94, 1994-95 and 1995-96), 5,29,458 entrepreneurs were sanctioned loan in the country as a whole. During this period, 3,460 entrepreneurs were sanctioned loan in the tribal areas of Gujarat. Of this 220 are SC entrepreneurs and 784 are ST entrepreneurs.

(b) As per reports received from State Director of Industries, 11,54,533 applications were recommended by District Industries Centres and Director of Industries to banks for sanctions of loan during the last 3 years. Banks have sanctioned loan in respect of 5,29,458 entrepreneurs. During 1995-96, 52866 applications of SC/ST entrepreneurs were recomended to banks as per the reports received from 21 States/UTs. Of this 26,652 SC/ST entrepreneurs were sanctioned loan by the banks. The reason for rejection are excessive sponsoring by District Industries Centres, project not found viable, non completion of banking formalities, applicant found defaulter etc.

(c) Reserve Bank of India has instructed district level coordinators of banks to look into the causes of delays in loan sanctions by poorly performing bank branches.